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C O N F I D E N T I A L SECTION 01 OF 03 MOSCOW 000579

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TAGS: PREL PGOV OREP RS IR
SUBJECT: RUSSIAN FEDERATION COUNCIL MEMBER ON IRAN, MIDDLE
EAST, KOSOVO, U.S.

Classified By: Ambassador William J. Burns: 1.4 (b, d).

11. (C) Summary: Federation Council Member Margelov briefed the Ambassador on efforts to deepen engagement with the U.S. Senate, including reaching out to GOR critics. He flagged his upcoming trip to Tehran and said that Iranian duplicity and obduracy were making it difficult to defend the regime. A former MFA Middle East hand, Margelov was bleak on prospects for peace, but loyal to Lavrov's idea of a Middle East conference. He noted GOR consideration of debt restructuring for Syria, reiterated Russian reservations on the promotion of democracy, and hinted at sizable arms sales to Riyadh. Margelov was open to further assistance to Afghanistan, and said the GOR debate over Kosovo was still on-going. End Summary

### Increasing Engagement

12. (SBU) In a February 6 meeting with the Ambassador, Federation Council Chairman of the International Relations Committee Mikhail Margelov welcomed increased U.S.-GOR engagement, exemplified in the upcoming visits of Special Envoy Frank Wisner and HFAC Chairman Representative Lantos. Noting his attendance at the National Prayer Breakfast, Margelov had used his visit to renew contacts with Senators Clinton, Hagel, and Lott, agreeing with the latter to reinvigorate the U.S.-GOR Working Group. According to Margelov, Senator Lott plans to bring a delegation to Russia the last week of May. An invitation was extended to Senator Hagel, and Margelov pondered an invitation to Senator McCain, noting that it was better to engage with Russia's critics forthrightly. Margelov had encouraged Russian Ambassador Ushakov to redouble efforts on the Hill and said that he would push Putin to meet with visiting U.S. congressional delegations. The Ambassador agreed that it was important to deepen contacts in both houses of Congress, and urged Margelov to follow up on his initiative to pay particular attention to those members more critical of the Russian government.

# Trip to Tehran

¶3. (C) Margelov flagged his February 18-21 trip to Tehran, his first to Iran, and stated that it was "quite obvious" Iran was cheating on its IAEA commitments. Iran was playing a dangerous game, since its pell-mell rush towards enrichment was placing Russia in a position where it could not be of assistance. Security Council Secretary Igor Ivanov had gone to Tehran, in part, Margelov underscored, to deliver exactly that message. "If you're stupid, we cannot do your job for you: don't be Mr. Nyet." The GOR message, which Margelov looked forward to reinforcing, was that the international community's proposal to Iran was generous and should be accepted. Ahmedinejad was the problem, he opined, since he

was "the wrong guy" and lacked a strategic vision.

14. (C) The Ambassador agreed that divisions appeared to have emerged among the Iranian elite, and stressed that it was important to keep the pressure on the regime. In this light, Russian sales of advanced weaponry, including the TOR, cut across the logic of the UNSC and the consensus of the international community. If, as Margelov believed, Iranian cheating would continue, and the IAEA confirmed this, Russia would face increasing pressure to account for its arms sale policy. Margelov, alluding to intra-GOR intrigues, commented that "there are many towers in the Kremlin." He agreed that the GOR would hear this same message repeated during Putin's mid-February trip to Saudi Arabia, Qatar, and Jordan. He acknowledged that Iran was posing more of a threat to Russia in the Central Asian republics, with its aggressive economic diplomacy making the GOR suspicious. Margelov agreed with the Ambassador's observation that sales to Iran were less important to Russia's economic well-being than ten years ago, and that Russia's economic success allowed it to adopt a more independent policy -- particularly with respect to Bushehr.

### Margelov on the Middle East

15. (C) Middle East Peace Process: The region, Margelov lamented, was "a disaster." In addition to intra-Palestinian divisions, there was increasing debate between the wings of Hamas, which was exacerbated by the economic, as well as political, spoils to be fought over. Margelov welcomed the Secretary's initiative to accelerate the roadmap and provide

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a political horizon for the Palestinians. He reinforced the GOR's interest that this be complemented by an international conference, noting the fifteen years that had elapsed since the gathering in Madrid. (Note: FM Lavrov used February 6

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consultations with Arab League's Amr Moussa to pitch the conference again, as a kick-start to a "comprehensive" approach to all the peace tracks.) The Ambassador underscored likely Israeli reluctance to discuss a conference, absent a groundwork laid for a positive outcome.

- (C) Syria: The Ambassador stressed that there had been no change of view in Washington on Syria and that it was important that Russia pound some sense into the regime. Margelov agreed that Asad was a disappointment, and out of step with the more reform-oriented, younger generation of leaders who were beginning to come forward. He attributed this to the success of the "old revolutionaries" in pressuring Asad, but agreed with the Ambassador that it was wrong to exaggerate the Syrian leader's exposure to the West and inclination to change the power structure. The GOR would continue to engage, and was considering the restructuring of Syria's debt, because it believed that the more an authoritarian regime was cornered, the stronger it became. As the Sunni-Shiite split began to color conversations in the region, it was natural for Asad, as the leader of the minority population, to circle the wagon. The Ambassador responded that a tough message, and not debt relief, was what Asad needed to hear from the GOR.
- 17. (C) Tragedy of Free and Fair Elections: Margelov said that the GOR would continue to agree to disagree over the value of promoting democracy, particularly in the Middle East. Free and fair elections had proved a "tragedy," he maintained, pointing to Algeria and by implication Iraq, and reiterated the GOR line that modernization should precede democratization. Margelov opined that Qatar and Bahrain had taken the right approach, gradually opening the political space, which was also true of Jordan. Democratic elections in Egypt, he argued, would be a "nightmare." While beloved in Davos, Gamal Mubarak was weak and unpopular at home, and the Muslim Brotherhood would dominate -- despite the strong

GOE efforts to dictate otherwise. The Ambassador underscored that the succession in Egypt and Saudi Arabia would be of extreme importance to both U.S. and Russian interests, and that it was critical that the processes be legitimate for them to provide stability.

18. (C) Saudi Arabia: Margelov signaled that sizable arms contracts could emerge from Putin's trip to Riyadh, which would help to placate the GOR's generals and weapons industries and could reduce bureaucratic pressure for arms sales elsewhere.

### Afghanistan

19. (C) Noting Putin's visit to India, the Ambassador stressed the importance of the South Asian region and argued that the GOR should look for opportunities to provide assistance to the Karzai government, recognizing the serious security situation and the regrouping of the Taliban. Russia had important national interests in the stability of Central Asia and the staunch of narcotics from Afghanistan, and FM Lavrov's effort to visit (which was canceled due to inclement weather) was a positive sign that the GOR was thinking in this direction. Margelov agreed in principle, noting that the GOR faced the difficulty of ingrained Russian and Afghanistan reluctance to engage, given their tragic history, as well as the challenge of managing relations with Tajikistan, where border control remained a sensitive subject.

# Kosovo

110. (C) Agreeing to meet with Special Envoy Wisner, Margelov did not exclude the possibility that Kosovo could become a Russian election issue, particularly if ultranationalist opinion was inflamed. For that reason, Margelov argued, it was important to keep the debate over Kosovo quiet, "for the Duma's sake." While "no serious decision maker believed that Kosovo was a cookie cutter model for Abkhazia, South Ossetia, and Transnistria, there was a constituency in the GOR and the public at large that would make the argument. Margelov resisted endorsing the Ahtisaari plan; instead, he argued for a "neither fish nor fowl" approach to Kosovo, whereby it remained neither independent, nor subordinate to Belgrade. "Let's work with this strange status." Bottom line, he concluded that the debate was not over in Russian policy making circles, and that the GOR was undecided on how to approach the UNSC resolution.

## Comment

 $\P11$ . (C) Margelov is sometimes glib, but his depth in the MOSCOW 00000579 003 OF 003

Middle East (where he spent time as the son of an SVR officer, and cut his teeth in his own diplomatic career) is respected by Putin, and his name has been mooted as the next Chairman of the Parliamentary Assembly of Europe. Margelov is an ally in deepening our congressional engagement, and we recommend taking up his offer of support in hosting senior delegations. BURNS